

## CITY OF ALAMEDA

### Memorandum

To: Honorable Mayor and  
Members of the City Council

From: John A. Russo  
City Manager

Date: July 21, 2011

Re: Reject the Bid, Adopt Revised Plans and Specifications, and Authorize a New Call for Bids for Park Street Streetscape, Lincoln Avenue to Webb Avenue, and Central Avenue to San Jose Avenue, No. P.W. 10-09-30

### BACKGROUND

On March 15, 2011, the City Council adopted plans and specifications and authorized a call for bids for the Park Street streetscape, Lincoln Avenue to Webb Avenue, and Central Avenue to San Jose Avenue, No. P.W. 10-09-30. The project proposes to extend the streetscape enhancements along Park Street from Lincoln Avenue to San Jose, depending on funding. The engineer's estimate for the project, prepared in consultation with an outside design engineer, is \$1,126,272.

### DISCUSSION

Bids were opened on June 13, 2011, and only one contractor, Ghilotti Brothers, Inc., submitted a bid for \$1,905,267, a 40% increase above the engineer's estimate. Staff reviewed the bids and determined that several line items were well above industry average cost, including clearing and grubbing, curb and gutter, traffic control, and trenching.

Staff also contacted other contractors to understand why they did not bid on the project. One contractor was in the process of responding to a bid protest in another City and did not have the time to submit a bid on this project. Other contractors determined that the scope was not in line with their expertise and did not bid. In addition, staff has reviewed the contract specifications and recommends modifying the specifications to provide the contractor with more flexibility for staying mobilized. This includes extending the construction period from 75 days to 90 days and allowing the contractor to prohibit parking in the construction zone. This is anticipated to result in more and lower bids.

Staff also considered negotiating with the single bidder to lower the construction cost; however, this is prohibited by Caltrans procedures and since the project is mostly funded by federal funds, Caltrans procedures are required. Public Works staff proposes that the City Council reject the sole bid, adopt revised plans and specifications, and

authorize a new call for bids. A copy of the revised plans and specifications for the proposed work is on file in the City Clerk's office.

FINANCIAL IMPACT

The funds for this project are budgeted in the Public Works Department's account for Capital Improvement Program (90606) Park Street Streetscape, Lincoln Avenue to Webb Avenue and Central Avenue to San Jose Avenue, with Federal Earmark, Redevelopment funds (Fund 310), and Parking Meter funds (Fund 224). There is no impact to the General Fund.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

This action does not affect the Alameda Municipal Code.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), this project is Categorically Exempt under the CEQA Guidelines Section 15301(c), Existing Facilities.

RECOMMENDATION

Reject the bid, adopt revised plans and specifications, and authorize a new call for bids for Park Street Streetscape, Lincoln Avenue to Webb Avenue, and Central Avenue to San Jose Avenue, No. P.W. 10-09-30.

Respectfully submitted,



Matthew T. Naclerio  
Public Works Director

By,



Ed Sommerauer  
Associate Civil Engineer

Approved as to funds and account,



Fred Marsh  
Controller

Exhibits:

1. Revised Plans and Specifications - on file in the City Clerk's office